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November 6, 2019

Sent By Electronic Mail, RESS Electronic Filing and Courier

Ms. Kirsten Walli Board Secretary Ontario Energy Board 27-2300 Yonge Street Toronto, ON M4P 1E4

Dear Ms. Walli:

Re: EPCOR Natural Gas Limited Partnership ("ENGLP") EB-2018-0336 Application for 2020 to 2024 Rates – Phase 2 Proceeding – Draft Rate Order – Clarification

Enclosed please find a tracked and clean version of the supplemental **Appendix F** – Customer Notice and Associated Supporting Bill Impact Tables for the typical customer for each customer type (residential, commercial industrial) in Rate 1, as filed November 5, 2019, to provide the following clarifications:

- In the Supporting Bill Impact Tables confirming that, aggregated within the Monthly Fixed Charge is the amount of one dollar per month in accordance with Bill 32 and Ontario Regulation 24/19.
- In the Customer Notice clarifying that, the bill impacts for each typical Rate 1 customer type is a decrease to their monthly bill.

These clarifications have no impact on the calculations in the tables in this Appendix or other appendices filed to date.

Please do not hesitate to contact me if you have any questions.

Sincerely,

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Vince Cooney, P.Eng, MBA Senior Manager, Regulatory Affairs, Ontario EPCOR Utilities Inc. <u>vcooney@epcor.com</u> (647) 730-0013

cc. All parties in EB-2018-0336

Addendum to EB-2018-0336 Draft Rate Order Filed: November 6, 2019

Appendix F (Track Changes Version)

Customer Notices and Associated Working Papers

EPCOR Natural Gas LP EB-2018-0336 For rates effective: January 1, 2020

Rate 1 - Residential (Typical)

		А	В	С	D	E Billed	F Billed	G	Н
		Unit	Bill Determinant	Current Rate	Proposed Rate	Amount with Current Rate	Amount with Proposed Rate	Change (\$)	Change (%)
1	Fixed Monthly Rate ¹	\$ / month	12	16.50	17.50	198.00	210.00	12.00	6.06%
2	Tier 1 Rate (first 1,000 m3's)	cents / m3	1,780	15.9486	13.3814	283.92	238.22	(45.70)	(16.10%)
3	Tier 2 Rate (> 1,000 m3's)	cents / m3	0	11.3519	10.7275	0.00	0.00	0.00	0.00%
4	Delivery Rates					481.92	448.22	(33.70)	(6.99%)
5	IRM Rebalancing	\$ / month	12	1.814	0.00	21.77	0.00	(21.77)	(100.00%)
6	Delivery Rates & IRM Rebalancing					503.69	448.22	(55.47)	(11.01%)
7	PGTVA Rate Rider	cents / m3	1,780	(1.7172)	0.1280	(30.57)	2.28	32.85	107.46%
8	REDA Rate Rider	\$ / month	12	1.50	0.59	18.00	7.03	(10.97)	(60.94%)
9	2019 Shared Tax Changes Rate Rider	\$ / month	12	0.1084	0.00	1.30	0.00	(1.30)	(100.00%)
10	2018 Shared Tax Changes Rate Rider	\$ / month	12	0.0271	0.00	0.33	0.00	(0.33)	(100.00%)
11	2018 Unrecovered IRM Adjustment Rate Rider	cents / m3	1,780	0.2221	0.0000	3.95	0.00	(3.95)	(100.00%)
12	Federal Carbon Charge (if appl.)	cents / m3	1,780	3.9100	3.9100	69.61	69.61	0.00	0.00%
13	Federal Carbon Charge	cents / m3	1,780	0.0017	0.0017	0.03	0.03	0.00	0.00%
14	Cap and Trade (Customer)	cents / m3	1,780	(2.1216)	0.0000	(37.77)	0.00	37.77	100.00%
15	Cap and Trade (Facility)	cents / m3	1,780	(0.0067)	0.0000	(0.12)	0.00	0.12	100.00%
16	Cap and Trade GGEIDA	cents / m3	1,780	2.7606	0.0000	49.14	0.00	(49.14)	(100.00%)
17	Total Bill Excluding System Gas Fee					577.59	527.17	(50.43)	(8.73%)
18	Commodity	cents / m3	1,780	14.8626	14.8626	264.59	264.59	0.00	0.00%
19	System Gas Fee	cents / m3	1,780	0.0363	0.0435	0.65	0.77	0.13	19.86%
20	Total Bill					842.82	792.53	(50.30)	(5.97%)

(\$50.43) / 12 months (\$4.2025) / month (\$4.20) / month

System Gas Fee Increases by \$0.13 annually

¹ Aggregated within the Monthly Fixed Charge is the amount of one dollar per month in accordance with Bill 32 and Ontario Regulation 24/19.

Rate 1 - Commercial (Typical)

		А	В	С	D	E Billed	F Billed	G	Н
		Unit	Bill Determinant	Current Rate	Proposed Rate	Amount with Current Rate	Amount with Proposed Rate	Change (\$)	Change (%)
1	Fixed Monthly Rate ²	\$ / month	12	16.50	17.50	198.00	210.00	12.00	6.06%
2	Tier 1 Rate (first 1,000 m3's)	cents / m3	4,052	15.9486	13.3814	646.18	542.16	(104.01)	(16.10%)
3	Tier 2 Rate (> 1,000 m3's)	cents / m3	0	11.3519	10.7275	0.00	0.00	0.00	0.00%
4	Delivery Rates					844.18	752.16	(92.01)	(10.90%)
5	IRM Rebalancing	\$ / month	12	1.814	0.00	21.77	0.00	(21.77)	(100.00%)
6	Delivery Rates & IRM Rebalancing					865.94	752.16	(113.78)	(13.14%)
7	PGTVA Rate Rider	cents / m3	4,052	(1.7172)	0.1280	(69.57)	5.19	74.76	107.46%
8	REDA Rate Rider	\$ / month	12	1.50	0.59	18.00	7.03	(10.97)	(60.94%)
9	2019 Shared Tax Changes Rate Rider	\$ / month	12	0.1084	0.00	1.30	0.00	(1.30)	(100.00%)
10	2018 Shared Tax Changes Rate Rider	\$ / month	12	0.0271	0.00	0.33	0.00	(0.33)	(100.00%)
11	2018 Unrecovered IRM Adjustment Rate Rider	cents / m3	4,052	0.2221	0.0000	9.00	0.00	(9.00)	(100.00%)
12	Federal Carbon Charge (if appl.)	cents / m3	4,052	3.9100	3.9100	158.42	158.42	0.00	0.00%
13	Federal Carbon Charge	cents / m3	4,052	0.0017	0.0017	0.07	0.07	0.00	0.00%
14	Cap and Trade (Customer)	cents / m3	4,052	(2.1216)	0.0000	(85.96)	0.00	85.96	100.00%
15	Cap and Trade (Facility)	cents / m3	4,052	(0.0067)	0.0000	(0.27)	0.00	0.27	100.00%
16	Cap and Trade GGEIDA	cents / m3	4,052	2.7606	0.0000	111.85	0.00	(111.85)	(100.00%)
17	Total Bill Excluding System Gas Fee					1,009.10	922.87	(86.23)	(8.55%)
18	Commodity	cents / m3	4,052	14.8626	14.8626	602.18	602.18	0.00	0.00%
19	System Gas Fee	cents / m3	4,052	0.0363	0.0435	1.47	1.76	0.29	19.86%
20	Total Bill					1,612.75	1,526.81	(85.94)	(5.33%)

(\$86.23) / 12 months (\$7.18583) / month (\$7.19) / month System Gas Fee Increases by \$0.29 annually

² Aggregated within the Monthly Fixed Charge is the amount of one dollar per month in accordance with Bill 32 and Ontario Regulation 24/19.

Rate 1 - Industrial (Typical)

		А	В	С	D	E	F	G	Н
		Unit	Bill Determinant	Current Rate	Proposed Rate	Billed Amount with Current Rate	Billed Amount with Proposed Rate	Change (\$)	Change (%)
1	Fixed Monthly Rate ³	\$ / month	12	16.50	17.50	198.00	210.00	12.00	6.06%
2	Tier 1 Rate (first 1,000 m3's)	cents / m3	10,860	15.9486	13.3814	1,732.07	1,453.27	(278.80)	(16.10%)
3	Tier 2 Rate (> 1,000 m3's)	cents / m3	1,431	11.3519	10.7275	162.48	153.55	(8.94)	(5.50%)
4	Delivery Rates					2,092.55	1,816.81	(275.74)	(13.18%)
5	IRM Rebalancing	\$ / month	12	1.814	0.00	21.77	0.00	(21.77)	(100.00%)
6	Delivery Rates & IRM Rebalancing					2,114.32	1,816.81	(297.51)	(14.07%)
7	PGTVA Rate Rider	cents / m3	12,292	(1.7172)	0.1280	(211.07)	15.74	226.81	107.46%
8	REDA Rate Rider	\$ / month	12	1.50	0.59	18.00	7.03	(10.97)	(60.94%)
9	2019 Shared Tax Changes Rate Rider	\$ / month	12	0.1084	0.00	1.30	0.00	(1.30)	(100.00%)
10	2018 Shared Tax Changes Rate Rider	\$ / month	12	0.0271	0.00	0.33	0.00	(0.33)	(100.00%)
11	2018 Unrecovered IRM Adjustment Rate Rider	cents / m3	12,292	0.2221	0.0000	27.30	0.00	(27.30)	(100.00%)
12	Federal Carbon Charge (if appl.)	cents / m3	12,292	3.9100	3.9100	480.60	480.60	0.00	0.00%
13	Federal Carbon Charge	cents / m3	12,292	0.0017	0.0017	0.21	0.21	0.00	0.00%
14	Cap and Trade (Customer)	cents / m3	12,292	(2.1216)	0.0000	(260.78)	0.00	260.78	100.00%
15	Cap and Trade (Facility)	cents / m3	12,292	(0.0067)	0.0000	(0.82)	0.00	0.82	100.00%
16	Cap and Trade GGEIDA	cents / m3	12,292	2.7606	0.0000	339.32	0.00	(339.32)	(100.00%)
17	Total Bill Excluding System Gas Fee					2,508.71	2,320.39	(188.31)	(7.51%)
18	Commodity	cents / m3	12,292	14.8626	14.8626	1,826.86	1,826.86	0.00	0.00%
19	System Gas Fee	cents / m3	12,292	0.0363	0.0435	4.46	5.35	0.89	19.86%
20	Total Bill					4,340.03	4,152.60	(187.43)	(4.32%)

(\$188.31) / 12 months (\$15.6925) / month (\$15.69) / month

System Gas Fee Increases by \$0.89 annually

³ Aggregated within the Monthly Fixed Charge is the amount of one dollar per month in accordance with Bill 32 and Ontario Regulation 24/19.

IMPORTANT INFORMATION ABOUT YOUR GAS BILL

The Ontario Energy Board (OEB) has approved changes to the delivery charges and the System Gas Fee, a commodity charge, which EPCOR Natural Gas Limited (EPCOR) charges its customers commencing January 1, 2020.

How will this price change impact you? For typical Rate 1 customers, the rate change will <u>impact decrease</u> the monthly delivery charges in the following manner:

Rate 1 Customer Type	Annual Consumption (m3)	Monthly Bill Impact Decrease(\$)
Residential	1,780	(4.20)
Commercial	4,052	(7.19)
Industrial	12,292	(15.69)

Other commercial and industrial customers, and seasonal rate customers will also be impacted by this change.

On all bills rendered by EPCOR on or after January 1, 2020, there will be rate changes for the "Fixed Monthly Charge" and "Delivery To You Charges". Several temporary rate riders expire on December 31, 2019. In addition, some temporary rate adjustments will be added to your bill for the period of January 1, 2020 to December 31, 2020 to recover and/or refund specific amounts as approved by the OEB. The rate riders to be implemented include the clearing of balances in certain deferral and variance accounts.

The rate for the System Gas Fee charge, one of the Gas Supply Charges on your bill is changing. The System Gas Fee increases by \$0.13 annually for the typical residential customer and for the typical commercial and industrial customers the annual increase is \$0.29 and \$0.89 respectively. Gas Supply Charges will continue to be adjusted quarterly in accordance with the OEB approved process. Please refer to epcor.com or visit OEB.ca for the approved rates and rate riders to see how you may be affected.

If you have any questions about the changes in rates or any other item that appears on your bill, please feel free to call our office at 519-773-5321.

We would like to thank you for choosing to make natural gas your energy of choice.

Addendum to EB-2018-0336 Draft Rate Order Filed: November 6, 2019

Appendix F

Customer Notices and Associated Working Papers

EPCOR Natural Gas LP EB-2018-0336 For rates effective: January 1, 2020

Rate 1 - Residential (Typical)

		А	В	С	D	E Billed	F Billed	G	Н
		Unit	Bill Determinant	Current Rate	Proposed Rate	Amount with Current Rate	Amount with Proposed Rate	Change (\$)	Change (%)
1	Fixed Monthly Rate ¹	\$ / month	12	16.50	17.50	198.00	210.00	12.00	6.06%
2	Tier 1 Rate (first 1,000 m3's)	cents / m3	1,780	15.9486	13.3814	283.92	238.22	(45.70)	(16.10%)
3	Tier 2 Rate (> 1,000 m3's)	cents / m3	0	11.3519	10.7275	0.00	0.00	0.00	0.00%
4	Delivery Rates					481.92	448.22	(33.70)	(6.99%)
5	IRM Rebalancing	\$ / month	12	1.814	0.00	21.77	0.00	(21.77)	(100.00%)
6	Delivery Rates & IRM Rebalancing					503.69	448.22	(55.47)	(11.01%)
7	PGTVA Rate Rider	cents / m3	1,780	(1.7172)	0.1280	(30.57)	2.28	32.85	107.46%
8	REDA Rate Rider	\$ / month	12	1.50	0.59	18.00	7.03	(10.97)	(60.94%)
9	2019 Shared Tax Changes Rate Rider	\$ / month	12	0.1084	0.00	1.30	0.00	(1.30)	(100.00%)
10	2018 Shared Tax Changes Rate Rider	\$ / month	12	0.0271	0.00	0.33	0.00	(0.33)	(100.00%)
11	2018 Unrecovered IRM Adjustment Rate Rider	cents / m3	1,780	0.2221	0.0000	3.95	0.00	(3.95)	(100.00%)
12	Federal Carbon Charge (if appl.)	cents / m3	1,780	3.9100	3.9100	69.61	69.61	0.00	0.00%
13	Federal Carbon Charge	cents / m3	1,780	0.0017	0.0017	0.03	0.03	0.00	0.00%
14	Cap and Trade (Customer)	cents / m3	1,780	(2.1216)	0.0000	(37.77)	0.00	37.77	100.00%
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16	Cap and Trade GGEIDA	cents / m3	1,780	2.7606	0.0000	49.14	0.00	(49.14)	(100.00%)
17	Total Bill Excluding System Gas Fee					577.59	527.17	(50.43)	(8.73%)
18	Commodity	cents / m3	1,780	14.8626	14.8626	264.59	264.59	0.00	0.00%
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20	Total Bill					842.82	792.53	(50.30)	(5.97%)

(\$50.43) / 12 months (\$4.2025) / month (\$4.20) / month

System Gas Fee Increases by \$0.13 annually

¹ Aggregated within the Monthly Fixed Charge is the amount of one dollar per month in accordance with Bill 32 and Ontario Regulation 24/19.

Rate 1 - Commercial (Typical)

		А	В	С	D	E Billed	F Billed	G	Н
		Unit	Bill Determinant	Current Rate	Proposed Rate	Amount with Current Rate	Amount with Proposed Rate	Change (\$)	Change (%)
1	Fixed Monthly Rate ²	\$ / month	12	16.50	17.50	198.00	210.00	12.00	6.06%
2	Tier 1 Rate (first 1,000 m3's)	cents / m3	4,052	15.9486	13.3814	646.18	542.16	(104.01)	(16.10%)
3	Tier 2 Rate (> 1,000 m3's)	cents / m3	0	11.3519	10.7275	0.00	0.00	0.00	0.00%
4	Delivery Rates					844.18	752.16	(92.01)	(10.90%)
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13	Federal Carbon Charge	cents / m3	4,052	0.0017	0.0017	0.07	0.07	0.00	0.00%
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18	Commodity	cents / m3	4,052	14.8626	14.8626	602.18	602.18	0.00	0.00%
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20	Total Bill					1,612.75	1,526.81	(85.94)	(5.33%)

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Rate 1 - Industrial (Typical)

		А	В	С	D	E	F	G	Н
		Unit	Bill Determinant	Current Rate	Proposed Rate	Billed Amount with Current Rate	Billed Amount with Proposed Rate	Change (\$)	Change (%)
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If you have any questions about the changes in rates or any other item that appears on your bill, please feel free to call our office at 519-773-5321.

We would like to thank you for choosing to make natural gas your energy of choice.